

NEWS RELEASE

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Everest Research Institute Says BPO is Still Largely Untapped; Identifies Key Indian Suppliers Now Successfully Competing Globally

DALLAS, May 7, 2007 – Indian Business Process Outsourcing (BPO) suppliers have achieved critical mass and are now successfully competing with major global suppliers of BPO, according to a new, in-depth study from the Everest Research Institute. The Institute will host a Webinar on May 8, at 9 a.m. CDT, that will highlight the findings of this study, with a focus on the current state of the Indian BPO landscape, strengths of select suppliers, and key future trends.

“We’re starting to see buyers engage in large, multi-process, global deals with Indian suppliers based on the strong capabilities that these suppliers are developing in different areas,” said Sheetal Bahl, Research Director, Everest Research Institute. “While North American companies currently contribute the largest amount to offshore BPO, the market is still nascent leaving significant opportunity for near-term growth. This study validates the capabilities and expertise of select Indian BPO suppliers, and suggests that Fortune 2000 companies should actively consider offshoring their business processes on a larger scale to unlock additional value.”

According to the study, *Business Process Outsourcing – Indian Supplier Landscape*, offshoring of business functions such as finance and accounting, customer service, and human resources to Indian suppliers is becoming increasingly mainstream. The study analyzed the entire Indian BPO supplier landscape, and identified 11 suppliers that are establishing themselves as global players through cost efficiency and process and industry expertise.

The companies recognized in the report as major offshore BPO contenders include EXL, Firstsource, Genpact, HCL, IBM Daksh, Infosys, Sutherland, TCS, TransWorks, Wipro and WNS. Each supplier that was evaluated in the *Business Process Outsourcing – Indian Supplier Landscape* study was required to be headquartered in India or have the majority of its workforce in India, and have revenues greater than \$100 million or more than 10,000 employees. Additionally, the study analyzed five suppliers who did not meet this year’s criteria, but have potential to join this group in the future.

The study highlighted additional insights, including:

- Distinctive spikes are developing in areas where suppliers’ knowledge and expertise excel. For example, one Indian supplier secured the largest share of the industry’s multi-process FAO deals in 2005-2006.
- To fuel their growth, Indian BPO suppliers are developing capabilities to move beyond the “low-cost provider” model and become end-to-end “process owners.”
- To continue to deliver strategic value and become end-to-end “process owners,” suppliers will need to continue to make significant investments in people, processes, and technologies.
- Future growth for this supplier group is expected to be driven by a different offering mix, with FAO, vertical-specific offerings and Knowledge-Process Outsourcing (KPO) providing the bulk of the overall BPO growth. (KPO encompasses knowledge-intensive

outsourcing services such as business research, data analytics and data management capabilities.)

The Webinar will take place on **May 8, 2007**, at 9 a.m. CDT; 3 p.m. GMT; 7:30 p.m. IST. To register, please visit: www.everestgrp.com/Webinars.

For additional information and an extract of the Indian captives study, please visit www.outsourcing-center.com. You may also call 214-451-3110 to schedule a personal briefing appointment.

About Everest Research Institute

Everest Research Institute (www.everestresearchinstitute.com) serves as a central source of independent and objective strategic intelligence, analysis, and actionable insight for leading corporations, service providers, and investors in the global outsourcing and offshoring marketplace. The Institute addresses both business process and information technology sourcing topics, providing the global outsourcing and offshoring community with information that empowers highly productive, sustainable sourcing strategies and relationships. The Institute's distinguished Board of Advisors, senior executives and thought leaders oversee the Institute's research agenda to ensure that it fully supports the business needs of corporations, service providers and investors.

Everest Research Institute members receive access to unparalleled analytical and advisory services, including access to Everest analysts, in-depth reports on major outsourcing and offshoring topics, white papers on market-shaping events, and webinars designed to provide insight and information about important market trends. The Institute's wealth of knowledge and experience provides members with unique perspectives into today's marketplace and the competitive edge required to take advantage of emerging opportunities.

Everest Research Institute is the research arm of the Everest Group (www.everestgrp.com), a global consulting firm that assists corporations in developing and implementing leading-edge sourcing strategies. Since 1991, Everest Group has served as the trusted business advisor for hundreds of IT and business process outsourcing transactions worldwide.

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